Irregularities in Bank of India

6936. SHRI BHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether the Bank of India at its Head Office has taken a decision in principle to wipe out the grievances in general from its customers by improving services of the bank;

(b) whether the Bank's Head Office has also received large number of complaints from various constituents about various irregularities committed by several branches of the bank located in different towns and cities during the past one year;

(c) whether in some cases the bank had withheld the customers A/cs merely on suspicion for over three to four years and later released the same;

(d) whether demages have been claimed by such account holders;

(e) whether action has taken by the bank at its Head Office to clear the demages suffered by such account holders of the bank; and

(f) if so, the facts and details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY: (a) Bank of India have reported that they have a well set grievances redressal machinery. Customer complaints are settled within 21 to 23 days on an average. The position of pendency of complaints is reviewed at every quarterly meeting of Customer Service Committee headed by the Chairman and Managing Director.

(b) According to the Bank, for the period ended 31st March 1995 its Head Office has received 1310 complaints against branches spread over the country. The flow of complaints has decreased during the period 1994-95 in comparison to previous two years.

(c) No cases have been reported to the bank by its constituents regarding withholding of balances in the accounts merely on suspicion. However, bank branches generally withhold the balances in the accounts in cases like pending submission of claims in deceased accounts, where there are litigations, disputes among the parties, suspected frauds, misappropriation and Court Orders/ injunctions etc.

(d) No claims for damages have been received by the bank which are noteworthy of reporting.

(e) and (f) As and when matters are reported to Head Office by controlling offices, decisions are expeditiously taken at the appropriate level.

Meeting of Board of Governors of Asian Development Bank

6937. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether at the 28th Annual Meeting of the Board of Government of the ADB (Asian Development Bank) held recently at Auckland, India's representative called upon the Bank to reshape its policies to the changing trends and development priorities and for a balanced portfolios;

(b) if so, the details thereof indicating landing levels of the Bank to India for the last three years till date; and

(c) whether any consensus evolved at Auckland meeting on the future role of the Asian Development Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY: (a) Yes, Sir.

(b) While emphasising the need for consensus on the future role of ADB, the Governor-ad-interim representing India at the 28th Annual Meeting of the Bank in Auckland, suggested that such a role would need to be based on the following preceptions:—

(i) Continued need for multilateral intermediations for long term stable flows to sustain Asia's Development process.

(ii) Relevance of multilateral flows in the area of infrastructure investment.

(iii) The important role of the bank in catalysing private investment.

(iv) The need to ensure that non-concessional flow through Ordinary Capital Resources are guided by commercial considerations.

The level of ADB's lending to India during the last three years is as follows:

1992 . . .	$ 982 million
1993 . . .	$ 818 million
1994 . . .	$ 153 million

(c) The observations made by India's Governor-ad-interim were taken note of by the Board of Governors of the Bank.

Assistance by NABARD to Rajasthan and Orissa

6938. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the amount provided by NABARD to RAJASTHAN AND ORISSA states under various schemes during the years 1992-93, 1993-94 and 1994-95 till date;

(b) the number of farmers benefited during the above period;

(c) the amount of loan recovered; and

(d) the details of other schemes being formulated by NABARD in respect of above states and the total amount allocated for this purpose during 1995-96 (state-wise).

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) National Bank for Agriculture and Rural Development (NABARD) provides refinance facilitiesc to various agencies under schematic lending. The details of purpose-wise disbursements made by NABARD under schematic lending to Rajasthan and Orissa States during the years 1992-93, 1993-94 and 1994-95 are given in the ending Statement *(See below)*.

(b) and (c) NABARD has reported that details regarding number of farms benefited from the schemes are not available with them as borrower-wise accounts are maintained by the financing institutions who avail of refinance from NABARD. Similarly, borrower-wise recovery details are also maintained by the participating banks and hence the details thereof are not available with NABARD.

(d) NABARD does not formulate schemes. However, refinance allocation for financing banks under various schemes (schematic lending) for Rajasthan and Orissa States for 1995-96 are given below:

(Rs. in lakhs)

Purpose	Allocation	
	Rajasthan	Orissa
1	2	3
Minor Irrigation	3300	630
State Electricity Board/Rural Electricity Corporation	300	200
Land Development	20	10
Farm Mechanisation	7000	1200
Plnatation/Horticulture . . . . . b . .	60	150
Dairy Development	850	100
Fisheries	10	430